General information

4

T.

FORM MR-AR (Revised 3/98)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5291

alt Lake City, Otan 84114-329 Telephone: (801) 538-5291 Fax: (801) 359-3940 RECEIVED

APR 1 4 2003

DIV. OF OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an ar nual operations and progress report (FORM MR-AR) with the Division.

•	30.00	To 2002 To (mo /sr) Dec 2002
	1.	Report Time Periods: From (mo./yr.) Jan. 2002 To (mo./yr.) Dec. 2002
	2.	DOGM File Number (Mine No.) M_/_047/_013
	3.	Mine Name: Z.C.M.C.
	4.	Mineral(s) Mined (or permitted to mine): Gilsonite
	5.	Type of Mine: Surface Mine or X <u>Underground Mine</u>
	6.	Legal Description (Location of Lands Affected):
		S 1/2 NF 1/4 1/4 Section 16 Township 98 , Kange 24h
		SE 1/4. 1/4, Section 16, Township 9S, Range 24E
		SE 1/4, 1/4, 1/4, Section 16, Township 9S, Range 24E 1/4, 1/4, 1/4, Section Township Range
	7.	Name of Operator or Company: Ziegler Chemical & Mineral Corp.
	8.	Permanent Street Address: 100 Jericho Quadrangle, Suite 140
		City, State, Zip: Jericho, New York 11753
		Phone: (516) 681-9600 Fax: (516) 681-9604
	9.	Company Representative (or designated operator):
		Name: Stan Wagner
		Title: Mine Superintendent
		Business Address: Star Route
		City, State, Zip: Vernal, Utah, 84078
		Phone: (435) 789-3593 Fax: (435) 789-3593
		Please check if any of the above information has changed since previous year.
II.	Min	ing and Reclamation
	1.	Was there any mine related activity during the past year? Yes X No □
	2.	If no, what was the last year of activity?
	3.	If yes, how much ore or mineral was mined: 21,527 ton
	3.	II yes, now inden of or innieral was inneed





FORM MR-AR (Revised 3/98)

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

During 2002 we disturbed an additional 2.4 acres of land in preparation for the Sterling #1 mine. We have also made an ore bin installation near the old Main #2 Mine site which takes in about 0.5 acres.

- 5. How much additional acreage was disturbed during the past year? Approx. 3 acres.
- 6. How much acreage was reclaimed during the past year. None
- 7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

We have started reclamation of two mines on the Independent Voin, (Ind. #3, and Ind. #4). The surface structures have been removed and most of the area has been cleaned up, with re-seeding projected for fall of 2003.

- 8. What is the total disturbed acreage of entire project at years end? 13 acres.
- 9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Z.C.M.C. will continue mining in the year 2003. Reclamation at tivities will continue on the Ind. #3 & #4 sites.

NOTE: Section III., "Additional Information" applies only to large mining operations.

III. Additional Information

- 1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
- 2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Printed):

Title of Operator:

Signature of Operator:

Date:

Stan Wagner

Mine Superintendent

Stan Casner

January 15, 2003/

Jb A:\forms\MR-AR